

## REMARKS

Applicant's counsel thanks the Examiner for the careful consideration given the application. Claims 1-23 are pending in the application.

Claims 1-23 have been rejected as anticipated by Lloyd (U.S. Pat. 4,876,648). However, upon a more careful analysis of the claims and this reference, it becomes apparent that Lloyd does not include each and every element of the claims presently in the application. Specifically, Lloyd does not disclose, teach or suggest the determination of the LoanCap for a property by applying a predetermined lending policy to valuation data and information provided in a loan application. This is a feature of independent claims 1 and 14 and thus of all the claims.

Lloyd relates to a system whereby insurance may be used to secure or guarantee an existing mortgage loan. Lloyd does not disclose any means of valuation of a property prior to establishment of the loan. The value of the property is taken as a given, and Lloyd indicates that this may be based on the "appraised" value of the property (see column 10, line 52-53).

By contrast to an appraisal, which is a human process, the concept of a LoanCap is driven by automated factors and may be implemented in a completely automated manner, thus, contributing to a more efficient decision making process for approval of loan applications for real property.

Since the mentioned feature is present in each of claims 1-23, and is not disclosed, taught, or suggested by Lloyd, it is clear that each of claims 1-23 as now presented defines over the prior art and is accordingly in condition for allowance, which is respectfully requested.

On July 26, 2002 and May 14, 2002, applicant submitted Supplemental Information Disclosure Statements including a total of 3 sheets of Form 1449. None of these sheets were initialed and returned with the Examiner's Office action. Applicant is accordingly enclosing copies of the 3 sheets of Form 1449 and requests that initialed copies be returned with the next communication.

If there are any fees required by this communication which are not covered by an enclosed check, please charge such fees to our Deposit Account No. 16-0820, Order No. 34171.

Respectfully submitted,

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